



Department of Justice

FOR IMMEDIATE RELEASE
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**MICHIGAN DOOR MANUFACTURER AGREES TO PLEAD GUILTY AND PAY
\$1.55 MILLION FINE FOR PRICE FIXING**

WASHINGTON, D.C. -- A Michigan door manufacturer agreed to plead guilty and pay a \$1.55 million criminal fine today for participating in a conspiracy to fix prices of residential doors sold to customers in the northeast and mid-Atlantic areas, according to the Department of Justice.

This is the sixth case filed as a result of the Department's antitrust investigation into collusive practices in the \$600 million residential flush door industry. Including today's proposed fine, more than \$8.5 million in criminal antitrust fines have been assessed as a result of the investigation.

Michigan Birch Door Manufacturers Inc., of Chesterfield, Michigan, was charged in U.S. District Court in Burlington, Vermont, with participating in the price fixing conspiracy from January to December, 1993.

The Department charged that Michigan Birch conspired with others to agree not to compete on prices of residential flush doors. They carried out the conspiracy by discussing prices and obtaining assurances from one another about intentions to implement price increases on doors sold to certain U.S. customers.

Michigan Birch Door Manufacturers Inc. is a subsidiary of Jeld-Wen Inc., of Klamath Falls, Oregon.

Residential flush doors are made of flat wood that can be covered with various types of door facings and are used primarily in residential basements, bedrooms and bathrooms. These doors are sold to a variety of customers, including door distributors and wholesalers, home supply retailers, and residential construction companies.

The Department said that the charges arose in connection with an investigation in Tampa, Florida, into collusive practices by flush door manufacturers.

The acceptance of the plea agreement by the court would conclude the investigation which was conducted by the Division's Litigation I Section with the assistance of the Federal Bureau of Investigation. Michigan Birch's criminal fine is subject to court approval.

The maximum penalty for a corporation convicted of a violation of the Sherman Act is the greatest of a \$10 million fine, twice the gross pecuniary gain the corporation derived from the crime or twice the gross pecuniary loss caused to the victims of the crime.

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